

I-95/395 HOT Lanes PPTA
Advisory Panel Meeting Agenda
October 11, 2005
7:00 PM

Approved Minutes

Attendees:

Mr. John A. Rollison III
Mr. Charles Badger
Ms. Barbara Reese
Ms. Katherine K. Hanley
Mr. Alfred H. Harf
Mr. Ron Kirby
Mr. Dennis Morrison
Mr. Dave Ogle
Mr. Robert E. Sevila
Mr. Brian Smith
Mr. Dan Tangherlini

- Opening remarks by Chairman, John A. Rollison III
- Approval of September 21, 2005, amended Minutes.
- Fluor Presentation
- Break
- Clark/Shirley Presentation
- Break
- Questions from Panel Members:
 - a. Mr. Rollison – The Fluor proposal has a substantial private investment, while the Clark/Shirley has none. VDOT looks for the proposers to have some private investment please comment.
 - Clark/Shirley – Proposers used best models available and provided the greatest benefit at a lower cost to the user. Additionally returned the asset back to VDOT at an earlier date.

- b. Ms. Reese – Would it be better if the risk were separated into senior and subordinate debt?
 - Clark/Shirley – Not necessarily. We used the best model available to obtain the greatest available.
 - Fluor – This is beneficial by having the proposer's investment at risk.
- c. Mr. Rollison – Why is the Fluor proposal 30% greater than VDOT's estimate?
 - Fluor – We chose to make a conservative estimate first in order to provide a cushion in order not to have to come back for additional financing as the project is more defined.
- d. Mr. Rollison – Why is the Clark/Shirley proposal 20% greater than VDOT's estimate?
 - Clark/Shirley – Proposal may include components not included in VDOT estimate. (i.e. Springfield Interchange, DC solution and Traffic Center)
- e. Mr. Rollison – What is the transition plan from HOV to HOT based upon lessons learned from MN Hot Lanes?
 - Clark/Shirley – Public Outreach
 - Fluor – Public Outreach
- f. Mr. Rollison – Please comment on including a buyout clause at some stage or any stage of the project?
 - Fluor – If the Commonwealth requests this type of option, we would be willing to include it.
 - Clark/Shirley – A buyout option would be dictated by the tax-exempt bonds.
- g. Ms. Reese – (Question for Clark/Shirley) - Does finance plan include all O&M and enforcement costs?
 - Clark/Shirley – yes
- h. Ms. Reese – (Question for Clark/Shirley) – Was SR91 originally a concession?
 - Clark/Shirley – yes
- i. Ms. Hanley – (Question for Clark/Shirley) – Maintenance, who is paying for what?
 - Clark/Shirley – Financing includes all O&M for HOV/HOT and new CD lanes.
- j. Mr. Tangherlini – Private activity bonds in SAFETEA- LU?
 - Clark/Shirley – FHWA has not issued guidance yet.
 - Fluor – Allows private groups to access tax-exempt borrow rate and FHWA thinks this may encourage more operators.
- k. Ms. Reese – (Question for Clark/Shirley) – How do the transponders recognize a HOT driver from a HOV driver?
 - Clark/Shirley – Each lane is separate. One is for HOV and another is HOT.
- l. Ms. Reese – (Question for Clark/Shirley) – The financial reevaluation reflect lower revenue due to higher inflation rate?

- Clark/Shirley – Yes, \$130M is correct.
- m. Ms. Hanley – (Question for Fluor) – What does 100% funding of O&M mean?
 - Fluor – All O&M plus enforcement is fully funded.
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- n. Ms. Hanley – Why the in varying sound wall lengths in each proposal?
 - Clark/Shirley – NEPA will determine what is required.
 - Fluor - NEPA will determine what is required.
- o. Ms. Hanley – Is photo-red legal?
 - Clark/Shirley – HOT laws allow use of photo-ID for violators.
 - Fluor - HOT laws allow use of photo-ID for violators.
- p. Mr. Smith – (Question for Fluor) – Who will operate the BRT?
 - Fluor – Fluor will provide the physical resources as part of the project and either a lump sum or stream of revenues to cover the cost of transit operation. Present operators would operate buses.
- q. Mr. Kirby – (Question for Clark/Shirley) – What other management practices may be used for LOS”C” other than dynamic pricing?
 - Clark/Shirley – In extreme events, the facility could be closed to LOVs. Additionally, tolls could be lifted entirely when needed for incident response.
- r. Mr. Kirby – (Question for Clark/Shirley) – What experience from SR91 can be learned to preserve “fixed-guideway” transit funding? Will FTA accept LOS”C”?
 - Clark/Shirley – Letter from FTA indicate precedent for maintaining fixed guideway subsidy.
- s. Mr. Harf – (Question for Clark/Shirley) - September 21, 2005, presentation by Ron Kirby noted high toll rates to maintain free flow;– Did you adjust toll rates and calculate more revenue?
 - Clark/Shirley – Yes.
- t. Mr. Harf – (Question for Fluor) – Why did you stand pat on your original projections?
 - Fluor – We did not have access to Mr. Kirby’s model. Additionally, we feel confident tolls are structured where they need to be.
- u. Mr. Morrison - Tolls rates change are recalculated every 3 minutes. How do you measure density?
 - Clark/Shirley – Sensors are embedded into road to determine density.
 - Fluor – Transponders will help when loop counters fail.
- v. Mr. Morrison – Project is 56 miles long. Has it been determined where tolls would be collected?
 - Clark/Shirley – The project would have 6 pay points.
 - Fluor – It’s a closed system. System would have multiple entry/exit points to assess tolls.
- w. Mr. Harf – Would to travelers rates change over the length of the trip?

- Fluor – Yes. Changes would have to be posted in advance of tolls in order for traveler to make informed decision to pay toll or move to GP lanes.
- Clark/Shirley – Travelers would know in advance the toll rate and won't change for the entire trip.
- x. Mr. Harf – Is there anything to disallow the CTB from raising the threshold from HOV3 to HOV4?
 - Fluor – The CTB has the authority to make that change.
- y. Mr. Badger – If the law had been written to insure that HOV3 is always free, what would be the effect on your proposals?
 - Fluor – We feel it would have no effect on the proposal.
 - Clark/Shirley - We feel it would have no effect on the proposal.
- z. Ms. Hanley – (Question for Fluor) – Your model showed travelers getting on, getting off, getting on, and getting off. If we assume only long haul trips, the number of entry/exit points would allow more consistency, is this correct?
 - Fluor – Modeling was not realistic. The real behavior would be to get on and stay on. Therefore, we went back and recalculated using realistic behavior. We don't believe tolls should be the same for the length of the system.
- aa. Ms. Hanley – Number of access points, does this affect revenue?
 - Fluor – Access point do affect revenues and we want to allow maximum access points.
 - Clark/Shirley – The method of pricing is very critical. There will be cases where two different travelers will be paying different rates due to where they accessed the system. It is important to inform the travelers what they will be paying and changing rates promotes distrust and public unacceptance. The changing of tolls would promote travelers getting on and off. The system is not designed for local traffic.
- bb. Mr. Tangherlini – (Question for Clark/Shirley) - The rate for a longer distance would result in a lower rate per mile?
 - Clark/Shirley - Yes, however, the amount paid would be larger. The rate paid per mile would be what it is when entering the system.
- cc. Mr. Tangherlini – Were adjustments made to the number of cars entering DC?
 - Clark/Shirley – Adjustments were made to the rate not the number of cars.
 - Fluor – According to the model, not a large increase entering DC.
- dd. Mr. Rollison – The Kirby presentation raised tolls at the chokepoint, 95 south of the beltway to maintain free flow. What is the plan for changing tolls, segments or the whole toll way?
 - Fluor – segments

- Clark/Shirley – When entering the system the toll rate will be shown, however every entry point will not be the same.
- ee. Mr. Rollison – (Question for Clark/Shirley) How do you insure the service level without changing the rate??
 - Clark/Shirley – That's what makes it so complex, however can be accomplished. The more access points permitted, the more complex the system.
- ff. Mr. Harf – How many segments do you propose?
 - Clark/Shirley – Two segments.
 - Flour – Three segments.
- Adjournment.